

Jefferson Gas, LLC
220 Lexington Green, Bldg 2, Suite 130
P.O. Box 24032
Lexington, KY 40524-4032
Tele (859) 245-8193

December 28, 2011

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RECEIVED

DEC 29 2011

**PUBLIC SERVICE
COMMISSION**

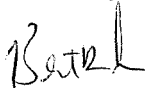
RE: Jefferson Gas, LLC
Case No.
GCR Filing Proposed to Become
Effective February 1, 2012

Dear Mr. Derouen:

Enclosed are an original and ten copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective February 1, 2012. Also included are an original and ten copies of 45th revised sheet No. 1 of Jefferson's PSC Kentucky No. 1 Tariff, which is being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$1.9891 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: December 28, 2011

Date Rates to be Effective: February 1, 2012

Reporting Period is Calendar Quarter Ended: April 30, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	2.4348
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(.4457)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		<u>1.9891</u>

GCR to be effective for service rendered from Feb 1, 2012 to Apr 30, 2012

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	
÷	Sales for the 12 months ended _____	Mcf	
=	Expected Gas Cost (EGC)	\$/Mcf	
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=	Refund Adjustment (RA)	\$/Mcf	
C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.0344)
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0032)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1620)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.2461)
=	Actual Adjustment (AA)	\$/Mcf	<u>(.4457)</u>
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
=	Balance Adjustment (BA)	\$/Mcf	

SCHEDULE II
EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended _____

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
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Totals _____

Line loss for 12 months ended _____ is _____ % based on purchases of _____ Mcf and sales of _____ Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	_____
÷ Mcf Purchases (4)	Mcf	_____
= Average Expected Cost Per Mcf Purchased	\$/Mcf	_____
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	_____
= Total Expected Gas Cost (to Schedule IA)	\$	_____

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

\$2.4348 Per Attached Schedule

Energy Products

[View an Energy Product](#)

Henry Hub Natural Gas Futures

[View Product List](#)

[Quotes](#) | [Contract Specifications](#) | [Performance Bonds / Margins](#) | [Product Calendar](#) | [Learn More](#)

Quotes | **Time & Sales** | **Volume** | **Settlements**

Futures | **Options**

Trade Date

Daily Settlements for Henry Hub Natural Gas Futures (FINAL)

Month	Open	High	Low	Last	Change	Settle	Estirn Vol.
JAN 12	3.135	3.192	3.095	-	+027	3.155	1
FEB 12	3.173	3.233	3.131	-	+028	3.198	
MAR 12	3.220	3.272	3.173	3.260	+031	3.239	
APR 12	3.282	3.337	3.240	3.325	+031	3.302	
MAY 12	3.323	3.388	3.291A	3.375	+033	3.352	
JUN 12	3.367	3.434	3.339A	3.355	+034	3.399	
JUL 12	3.399	3.480	3.394A	3.485	+034	3.454	
AUG 12	3.426				+034	3.480	
SEP 12	3.450				+034	3.482	
OCT 12	3.485				+034	3.516	
NOV 12	3.602				+032	3.653	
DEC 12	3.899		3.198000+		+029	3.927	
JAN 13	3.996		3.239000+		+025	4.049	
FEB 13	4.000		3.302000+		+024	4.045	
MAR 13	3.968		9.739000*+		+024	4.011	
APR 13	3.898				+021	3.940	
MAY 13	3.924		9.739000÷		+021	3.962	
JUN 13	4.030		3.0=		+021	3.990	
JUL 13	4.072		3.246334*+		+022	4.034	
AUG 13	4.092				+021	4.053	
SEP 13	4.015		3.246334x		+020	4.057	
OCT 13	4.065		0.75=		+017	4.091	
NOV 13	-		2.434751*+		+012	4.196	
DEC 13	4.442				+011	4.416	
JAN 14	4.555			0.*	+011	4.524	
FEB 14	-	4.530B	-	-	+010	4.502	
MAR 14	-	4.466B	-	-	+009	4.435	
APR 14	4.270	4.270	-	4.270	+003	4.284	
MAY 14	-	-	-	-	+002	4.299	
JUN 14	-	-	-	-	+002	4.324	
JUL 14	-	-	-	-	+002	4.361	

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ (reporting period) _____

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	
+ Interest	\$	
<hr/> = Refund Adjustment including interest	\$	<hr/>
÷ Sales for 12 months ended	Mcf	<hr/>
<hr/> <hr/> = Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	<hr/>

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended

October 31, 2011

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Aug 11)</u>	<u>Month 2</u> <u>(Sep 11)</u>	<u>Month 3</u> <u>(Oct 11)</u>
Total Supply Volumes Purchased	Mcf	414	597	1,474
Total Cost of Volumes Purchased	\$	1,175.76	1,552.20	3,640.78
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	414	597	1,474
= Unit Cost of Gas	\$/Mcf	2.8400	2.6000	2.4700
- EGC in effect for month	\$/Mcf	2.9969	2.9969	2.9969
= Difference [(over-)/Under-Recovery]	\$/Mcf	(.1569)	(.3969)	(.5269)
x Actual sales during month	Mcf	414	597	1,474
= Monthly cost difference	\$	(64.96)	(236.95)	(776.65)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	(1,078.56)
÷ Sales for 12 months ended	September 30, 2011		Mcf	31,309
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	(.0344)

Jefferson Gas, LLC

Mcfs Sold Last 12 Months

10/31/10	1,130
11/30/10	3,486
12/31/10	6,148
01/31/11	6,355
02/28/11	5,151
03/31/11	3,990
04/30/11	1,973
05/31/11	1,083
06/30/11	574
07/31/11	408
08/31/11	414
09/30/11	597
	31,309

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ (reporting period)

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
	Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect.	\$	
	Equals: Balance Adjustment for the AA.	\$	_____
(2)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
	Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
	Equals: Balance Adjustment for the RA	\$	_____
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
	Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect.	\$	
	Equals: Balance Adjustment for the BA.	\$	_____
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	_____
÷	Sales for 12 months ended _____	Mcf	_____
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

Entire Service Area

FOR _____

PSC KY NO. _____

45th Revised SHEET NO. _____ 1

Jefferson Gas, LLC

(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

44th Revised SHEET NO. _____ 1

Applies to: All Customers

Rate, Monthly:

			Base Rate	Gas Cost	Rate per Unit (Mcf)
First	0 to 1 Mcf	Minimum Bill	3.8900	1.9891	5.8791
All Over	1 Mcf		2.2600	1.9891	4.2491

DATE OF ISSUE December 28, 2011
MONTH / DATE / YEAR

DATE EFFECTIVE February 1, 2012
MONTH / DATE / YEAR

ISSUED BY Bert R. Layne
SIGNATURE OF OFFICER

TITLE Treasurer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____